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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL
OMB Number: 3235-0123
Expires: September 30, 1998
Estimated average burden
hours per response . . . 12.00

ANNUAL AUDITED REPORT
FORM X-17A-5
PART III

RECEIVED
MAR 05 2002

SEC FILE NUMBER
8-47479

FACING PAGE
Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 01/01/01 AND ENDING 12/31/01
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:
MacKENZIE / EDWARD GROUP, INC.

OFFICIAL USE ONLY
FIRM ID. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
508 UNIVERSITY PLACE
(No. and Street)

GROSSE POINTE, MICHIGAN 48230
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
PETER WEIPERT (313) 884-3345
(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
A.J. BOSSIO & CO., P.C.
(Name - if individual, state last, first, middle name)

28004 CENTER OAKS CT., SUITE 100, WIXOM, MI 48393
(Address) (City) (State) (Zip Code)

CHECK ONE:
 Certified Public Accountant

PROCESSED
MAR 20 2002
THOMSON
FINANCIAL

OATH OR AFFIRMATION

I, PETER M. WEIPERT, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of MACKENZIE / EDWARD GROUP, INC., as of DECEMBER 31, 2001, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

P. M. Weipert

Signature

PRESIDENT

Title

Ch. S. Kennedy

Notary Public

Charles S. Kennedy, III
Wayne County, Michigan
My commission expires 11/8/04

This report** contains (check all applicable boxes):

- (a) Facing page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Changes in Financial Condition.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Computation of Net Capital
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or control Requirements Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.

_____ Report. found to have existed since the date of the previous audit.



MacKenzie/Edward Group, Inc.

Financial Statements

For The Year Ended

December 31, 2001

MacKenzie/Edward Group, Inc.

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Mackenzie/Edward Group, Inc.
Statement of Financial Condition
December 31, 2001

ASSETS

Cash & Cash Equivalents	\$	219,863
Investments (Note G)		30,000
Office Equipment		2,964
Accumulated Depreciation		(2,964)
TOTAL ASSETS	\$	249,863

LIABILITIES AND STOCKHOLDER'S EQUITY

LIABILITIES

Other Liabilities	\$	1,998
Total Liabilities		1,998

STOCKHOLDER'S EQUITY

Common Stock		1,000
Retained Earnings		246,864
Total Stockholder's Equity		247,864
TOTAL LIABILITIES & STOCKHOLDER	\$	249,863

The accompanying notes are an integral part of these financial statements.

Mackenzie/Edward Group, Inc.
Statement of Income
For the Year Ended December 31, 2001

Revenue:

Consulting Fees	\$	34,579
Loss on Firm Investments		(24,750)
Dividends		4,379
Total Revenue		<u>14,208</u>

Expenses:

Regulatory Fees and Expenses		1,597
Other Expenses		8,623
Total Expenses		<u>10,220</u>

Net Income	\$	<u>3,988</u>
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The accompanying notes are an integral part of these financial statements.

Mackenzie/Edward Group, Inc.
Statement of Changes in Liabilities Subordinated
to Claims of General Creditors
For the Year Ended December 31, 2001

Subordinated Liabilities at January 1, 2001	\$ 0
Increases	0
Decreases	0
Subordinated Liabilities at December 31, 2001	<u><u>\$ 0</u></u>

The accompanying notes are an integral part of these financial statements.

Mackenzie/Edward Group, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2001

Increase (Decrease) in Cash and Cash Equivalents

Cash Flow from Operating Activities

Net Income	\$	3,988
Realized Loss on Investments		24,750
Adjustments to Reconcile Cash Flow		
Increase (Decrease) Liabilities		
Credit Card Payable	(2)	
Other Liabilites	1,460	
		<hr/>
Total Adjustments		1,458
		<hr/>
Cash Provided by Operations		30,196

Cash Flow from Investing Activities

Equipment Purchase	-	
	<hr/>	
Cash Used by Investing Activities		-

Cash Flow from Financing Activities

Stockholder Distributions	-	
	<hr/>	
Cash Provided by Financing		-
		<hr/>
Net Increase in Cash		30,196
		<hr/>
Cash at the Beginning of the Year		189,667
		<hr/>
Cash at the End of the Year	\$	219,863
		<hr/> <hr/>

The accompanying notes are an integral part of these financial statements.

Note D: Cash Flow Information

The Company considers all short-term investments with an original maturity of three months or less to be cash equivalents.

The Company paid nothing for interest for the year ended December 31, 2001.

Since it is an S-Corporation, the Company does not pay income taxes at the corporate level.

Note E: Net Capital Requirements

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (rule 15c3-1) which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1 (and the rule of the "applicable" exchange also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1). At December 31, 2001 the Company had net capital of \$215,702.42 which was \$210,702.42 in excess of its required net capital of \$5,000.00. The Company's net capital ratio was .0029 to 1.

An exemption from Rule 15c3-3 is being claimed based on 15c3-3(k)(2), which says that the rules for 15c3-3 do not apply to a broker or dealer who does not maintain margin accounts or does not perform custodial duties for client securities. Since the Company is exempt, these financial statements do not include the computations required under rule 15c3-3.

Note F: Profit Sharing Plan.

The Company maintains a Defined Contribution Profit Sharing Plan. All employees are covered. The contributions for the year ended December 31, 2001 were based on 15% of compensation. There were no contributions for the year ended December 31, 2001.

Note G: Investments

Investments consist of marketable, but thinly traded common stock and a non-marketable interest in a closely held limited liability company, all recorded on the cost basis, as follows:

Common Stock	<u>\$30,000</u>
	<u>\$30,000</u>

Supplementary Information
Pursuant to Rule 17a-5 of the
Securities Exchange Act of 1934
As of December 31, 2001

Schedule I
Mackenzie/Edward Group, Inc.
Computation of Net Capital Under Rule 15c3-1 of the
Securities and Exchange Commission
As of December 31, 2001

NET CAPITAL

Total stockholder's equity	\$ 247,864
Deduct stockholder's equity not allowable for net capital	<u>-</u>
Total stockholder's equity qualified for net capital	247,864
Add:	
Liabilities subordinated to claims of general creditors allowable in computation of net capital	<u>-</u>
Total capital and allowable subordinated liabilities	247,864
Deductions and/or charges	
Non-allowable assets	<u>(30,000)</u>
Net capital before haircuts on securities positions	217,864
Haircuts on securities (computer where applicable, pursuant to rule 15c3-1(f))	
Trading & Investment Securities - Other Securities	<u>(2,557)</u>
Net capital	<u><u>\$ 215,307</u></u>

AGGREGATE INDEBTEDNESS

Items included in statement of financial condition	
Other current liabilities	\$ 1,998
Items not included in statement of financial condition	<u>-</u>
	1,998
Less adjustment based on special reverse bank accounts	<u>-</u>
Total aggregate indebtedness	<u><u>\$ 1,998</u></u>

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Net capital	\$ 215,307
Minimum net capital required	<u>5,000</u>
Excess net capital	<u>\$ 210,307</u>
Excess capital at 1000%	<u><u>\$ 215,107</u></u>
Ratio: Aggregate indebtedness to net capital	<u>.93% to 1</u>

RECONCILIATION WITH COMPANY'S COMPUTATION

Net capital as reported in Company's Part II (unaudited)	
FOCUS report	\$ 215,502
Audit Adjustment	<u>(395)</u>
Net capital per above	<u><u>\$ 215,107</u></u>

The accompanying notes are an integral part of these financial statements.

Adjusting Journal Entries

Reviewed by _____

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper
1	Adjusting	12/31/01					
		3120	Stockholder's Distributions		117,100.00		
		3131	Retained Earnings	117,100.00			
			Remove Shareholder Distributions from Prior Years			0.00	
2	Adjusting	12/31/01					
		1112	Savings - Woodward Fund		0.01		
		3131	Retained Earnings	0.01			
			Record Entry from Previous Year			0.00	
3	Adjusting	12/31/01					
		1420	Office Equipment		394.80		
		8640	Office Expense	394.80			
			Reclassify To Expense			(394.80)	
		TOTAL		117,494.81	117,494.81	(394.80)	